

New York, N.Y.

September 5, 1951

MEMORANDUM TO THE DISTRICT SUPERVISOR, DISTRICT #2, NEW YORK, N.Y.

*Confidential*

In re: Central Intelligence Agency  
Report No. SODP40988, dated  
August 21, 1951.

This memorandum entails information received from the Director General of Police, Republic of Chile, Luis Brun, Ricardo Briones, Chief Steward, SS Santa Margarita and other sources of information available to me in the narcotic traffic in Latin America. *with ramifications through Argentina*

It will appear that a family named Harpe organized a syndicate in La Paz, Bolivia for the manufacture, sale, and exportation of cocaine, utilizing the services of diverse persons mentioned herein. *(Buenos Aires)*

It came to the attention of the Chilean Police, that one Idilia Delmar and her husband Mendez, solicited cocaine from Enrique Castro Salgado of Chile for exportation to Argentina. *Buenos Aires, Argentina*

Salgado delegated one Luis Orellana Suarez *in Chile* to secure a supply of cocaine. Suarez contacted one John Doe @ Cantinflas, a runner for one Malvina, a keeper of a house of prostitution, who sold to Salgado 3000 grams of cocaine.

The cocaine was shipped to Idilia Delmar in care of the Chilean Embassy at Buenos Aires. The Chilean Ambassador became suspicious of the various packages arriving for Idilia Delmar and caused an investigation by the Argentinian Police, which led to the arrest of a Peruvian National named Ricardo Paul Calvo and the seizure of  $6\frac{1}{2}$  kilos of cocaine.

Calvo named as his partner, one Julio Trucido, the owner and operator of the Patio Azul in Santiago, Chile. (Olivera's Note: Trucido is a fugitive from Chilean justice in Lima, Peru)

The discovery by the Chilean Ambassador in Argentina of Trucido's participation in the Delmar, Calvo deal, led him to immediately notify the Chilean Bureau of Investigation under the able supervision of Mr. Luis Brun. Mr. Brun immediately went into action and arrested one Bonifacio Yacucci and Argentinian of Turkish descent residing in Santiago, Chile. Also arrested were Argentinian Nationals Solidad Lopez Lopez, Carmen

Rebeca, and the Chilean National Codocedo Gonzalez.

On Questioning of Yacucci disclosed that the cocaine was of Bolivian origin. Codocedo Gonzalez on her testimony involved Sylvia Alacon Amigo, her employer as well as Yacucci and his concubine Solidad Lopez. She disclosed Yacucci's modus operandi and gave the names of some of Yacucci's customers, one Amaya, Arturo Christhie, and one Rojas.

Codocedo Gonzalez admitted being a runner for Yacucci, having distributed over 300 grams of cocaine in addition to the cocaine distributed by Sylvia Alacon Amigo. She also gave testimony as to being present during some important sales made by Yacucci. She further stated having assisted Yacucci in the packing of a kilo of cocaine brought by Yacucci from Bolivia for distribution in Chile and Argentina.

Sylvia Alacon Amigo became a fugitive from Chilean justice and is now in Venezuela. Investigations disclosed this woman to be a frequent traveler to the Republic of Venezuela.

*Olivera's note*  
Further investigation by the Chilean Police disclosed that Yacucci was in partnership with a woman named Maria Golac @ La Patricia (keeper of a house of prostitution at Santiago, Chile. Her visiting cards have been found in the possession of various seamen arrested by this office.)

Yacucci upon being questioned involved his paramour Solidad Lopez Lopez as his concubine and distributor of narcotics. He further involved one Andres Valdes of Santiago, Chile, and a Spanish National named Florencio Castadedo Mediavilla of Valparaiso, Chile, as well as one Ruben Huasoff as well as his brother Fedul.

Yacucci stated that <sup>the</sup> Huasoff brothers had introduce him to their cousin Fernando Harbe of Bolivia. ~~That~~ At the Casino Vina Del Mar a suburb of Santiago, he was ~~further~~ introduced to Armanda Huasoff and Ramez Harbe, a brother of Fedul. (Olivera's note: Armand Huasoff runs a house of prostitution in Santiago, Chile, frequented by American seaman, and has been mentioned as their source of supply. The Huasoff woman induced Yacucci to visit the Republic of Bolivia. On January 5, 1950, Yacucci visited Bolivia and secured lodging at Columbia # 135, La Paz, Bolivia. Strange enough, this lodging house was operated by Caesar Harbe, father of Fedul and Ramez Harbe.

Maria Golac was a resident in the same house, and was introduced to Yacucci, and Yacucci learned from her that she was an inmate of the house of prostitution operated by Armanda Huasoff and her sons in Santiago, Chile. (Note: Yacucci was arrested in the residence



of Maria Golac in Santiago, Chile.)

A few days after Yacucci's arrival in La Paz, he moved from the Caesar Harbe house to the Hotel Sucre, but continued to visit the Caesar Harbe home.

On or about February, 1950, Yacucci stated that he observed quantities of coca leaves and kerosene arriving at the residence of Caesar Harbe. He also observed a German chemist named Carlos Kuch, a frequent visitor at the Harbe residence. Later Yacucci learned that Kuch was assisting Caesar Harbe in processing the coca leaves.

On or about the beginning of March, 1950, Yacucci learned that Caesar Harbe and Kuch had transferred their coca leaf processing activities from the Harbe residence to a chalet, situated in a suburb of La Paz named Obraje (see C.I.A. secret report, Page 1, 3rd Paragraph, last line.) and they commenced manufacturing cocaine. About this time the Harbes received from one Simon Lionel 3 money orders, one for \$300.00 and 2 others for 30,000 pesos each. With this money, the Harbe's intensified their cocaine manufacturing and in April, 1950, the Harbe brothers commenced supplying Yacucci and his concubine Sylvia Alacon with quantities of cocaine at 200 and 250 pesos per gram.

*start correcting here*  
Soledad Lopez Lopez, concubine of Yacucci, corroborated all of Yacucci's testimony and further implicated Amanda Huasseff and her family in the traffic of cocaine. ~~Further implicating Amanda in this when Fabul Harbe exported quantities of cocaine to Argentina~~

The Chilean police furthered its investigation with the arrest of Geronimo Rolando Zuanic Hurtado, who upon being questioned, admitted knowing Amanda Huasseff, wife of Caesar Harbe, and mother of four sons, Facdul, Said, Ramez and Salma Harbe Yacucci. Zuanic *HARBE*

Zuanic further stated that on or about October 19, 1950, Amanda Harbe, invited him, Zuanic, to La Paz, Bolivia, to visit the house of Caesar Harbe.

*their*  
That while visiting Caesar Harbe with Amanda in La Paz, Ramez took Zuanic to Puerto Potosi to inspect ~~the~~ coffee manufacturing plant. That while visiting the coffee manufacturing plant, Amanda and Caesar took Zuanic to the sub-basement of the building where they showed him their plant for the processing of the coca leaves.

*of Harbe*

The coca leaves were in vats similar to wine vats.

Zuanic discovered that in this coca leaf processing plant were working Rames, Said, Ruben and a German chemist, Carlos, (now deceased).

Zuanic further stated that in the sub-basement above related, the cocain "paste" was manufactured. This paste was later transport by the Harbes brothers to a green chalet in a suburb of La Paz, known as Obrajes.

In this ~~chalet~~ chalet, Zuanic explains the paste was diluted, filtered and purified into the finished product, cocaine hydrochloride.

Zuanic further stated that after the Harbes had shown him the cocaine producing operations ~~referred~~ referred to above, Ramez Harbe, asked Zuanic to invest 300,000 pesos in the "gold mine" *meaning of cocaine business.*

Zuanic agreed in principal. While in Chile, Zuanic, discussed the proposition with his wife and wired Ramez Harbe 100,000 Chilean pesos.

Zuanic further states that on or about the 8th of November 1951 he accompanied Ruben and Ramez Harbe from La Paz, Bolivia to Antofagasta. That while ~~in the~~ on the train, Ruben and Ramez, by the use of a screw removed from the compartment *OCCUPIED* by them in the train a panel concealing 200 packages of pure cocaine and a ~~quantity~~ quantity of paste contained in a package about 1 square foot, replacing the panel removed by them.



That after the Customs Inspection in Antofagasta, Chile, the packages were removed and placed in Ramez's bag and transported to Valparaiso to the home of Fagdul Harbe, situated in Marina 876 Vina Del Mar.

That in the residence of Fagdul, the cocaine paste was refined, Fagdul possessing a laboratory similar to the one in the green chalet at Obrajes, Bolivia.

Zuanic further stated that ~~it will~~ the laboratory was transferred from Vina Del Mar to Arrieta Street No. 635, a house owned by Zuanic wife. ~~That~~ That when the Chilean police investigation was intensified, F brought to the house a Romanian named Abraham Furhmann, who dismantled and placed in hiding the laboratory equipment. ~~Zuanic~~ Zuanic further stated that on or about the second day of March 1951, with his wife, he visited Amanda Huasseff in the Van Buren Hospital, Valparaiso, where Amanda Zuanic a quantity of cocaine for delivery to Domingo Yomas, an employee of the Popular Bank of Valparaiso for safekeeping in the vaults of the bank, five or six days later, approximately ~~Friday~~ the 8th day of March 1951, the Harbe brothers advised Zuanic that they were about to have an important sale of cocaine and they wanted to use his apartment. Having given consent, the Harbe brothers brought to his apartment, several American Seamen of Latin-American appearance and members of the crew of the ~~Santa~~ <sup>SANTA</sup> Maria of the Grace Line. These seamen purchased a quantity of cocaine in the presence of Zuanic and paid the Harbe brothers \$1,000 U. S. currency.

That on another occasion, the Harbe brothers in Zuanic's presence sold to Jorge Tarfan 100 grams of cocaine for 20,000 Chilean pesos. On another occasion, Fagdul Harbe, sold to JORGE Tarfan, another qu

of cocain for 13,000 Chilean pesos.

Alejandra Del Carmen Valderrama Rodriguez, wife of Zuanic, corroborated all of her husband's statements to the police and further implicated Yomas and an employee of Martinez Pereira, a business man of Valparaiso, in whose s Yomas' wife concealed her cocaine cache. *after her*

The Chilean police in furtherance of their investigation apprehended Tarfan of Santiago, Chile, who admitted having purchased from the ~~Har~~ Har family, a total of 83,000 Chilean pesos of cocaine. That he, Tarfan, retails the cocaine locally. *Tarfan's*

That among his customers figured Alejandro Lira, Federico Ojeda, Jorge D Carlos Campos, ~~and~~ one Puntete and many musicians and members of the night club circles of Santiago Santiago, Chile.

In furtherance of the investigation, the Chilean police arrested Emilio Pereda Garrido, who stated that he has purchased cocaine from many unknown ped as well as various drug stores in Valparaiso or Vina Del Mar and that on many occasions he could purchase cocaine with free prescriptions given him by Dr. Santiago Kegevic, a Valparaiso dentist.

He identified one Osario, as the person from whom he frequently purchase cocaine in lots of 100 to 300 grams.

Amanda Huasseff, alias Buerchy, was arrested and upon being questioned, denied knowledge of the crime. However, she did ~~admit~~ admit that her son, Ramez, on one occasion sold to a crew member of the Santa Maria, a quantity of cocaine for \$800.00 dollars. She further denied the \$1,000.00 transaction with American Seamen in Zuanic's residence.

Ramez Harbe Huasseff, being arrested, stated that his mother, Amanda ~~Harbe~~ Huasseff, had no knowledge of the crime.

That in Laz Pat, Bolivia, he, Ramez, met a German chemist named Carlos ~~Ram~~ Malfa, who taught him the process of crystalizing cocaine su by medium of ether, alcohol and other chemical products. That after the paste was crystalized into cocaine chloride, he could sell it to the tr

He further stated that on one occasion, he purchased from Carlos Ma two kilos of cocaine paste for 40,000 Bolivian pesos. That he transport the ~~paste~~ paste to Valparaiso, where he rented a chalet from Zuanic and with Facdul, he Ramez, processed the paste into chloride of cocaine by using 5 percent sulphuric acid, ether , alcohol and permanganate. That the 2 kolos of paste, he obtained <sup>11/2</sup> hundred grams of cocaine, ~~which, the~~ Ramez, sold to Bonifacio Yocuzzi for 10,00 Chilean pesos. He later sold 200 grams of chloride of cocaine to one Osario for 20,000 Chilean pesos and 1 hundred grams to Jorge for 25,000 pesos.

Ramez further stated that becoming aware of the police investigation he had packed the rest of the cocaine and other equipment and gave it to a friend of his name Furhmann for safekeeping.

Ramez attempted to vindicate his brother, ~~Ram~~ Rene.

Rene Harbe, after being arrested gave ~~estate~~ a statement implicating himself and incriminating Ramez by virtue of the conflicting statements given by each other.

In a subsequent statement taken from Ramez, he admitted selling crew members of the SS Santa Maria, Grace Line, 700 grams of cocaine for \$2,10 U. S. currency.



On a third statement, he admitted to another sale to crew members of the SS Santa Maria of the Grace Line. Ramez also involved one Alfredo Santander and Simon Lanel, in that he sold to Lanel a quantity of cocaine sulphate. That Lanel gave the sulphate to Pablo Blundel, a Valparaíso chemist for crystallization and that Blundel process proved negative and ruined the sulphate.

At a later date, Ramez sold to Lanel, three additional kilos of sulphate for crystallization.

Abraham ~~Fischer~~ <sup>Furhmann</sup> and his wife, Alejandra <sup>Valderrama</sup>, of Romanian nationality, surrendered to the Chilean police.

They both admitted to the financing of the ~~Barb~~ Harbe brothers cocaine activities, to the laboratories, both in Bolivia and Chile and to the sale of the finished cocaine to crew members of the Grace Line ship as well as to Chilean Nationals. They also surrendered to the Chilean police the laboratory as well as the remaining cocaine sulphate. <sup>they had received</sup> Facdul ~~Harbe~~ Harbe was arrested. In his statement he implicated Fernando Harbe Valdivieso cousin, <sup>of</sup> ~~an~~ Ecuadorian nationality. He further implicated the Furhmanns in the smuggling into Chile from Bolivia, 6½ kilos of cocaine. Implicated several buyers of cocaine as well as crew members of the Grace Line.

Also arrested was Eduardo Haissang Morrera, of Chilean nationality. He admitted being a buyer of cocaine from Jorge Tarfan, one Osario, and through prescriptions obtained from Dr. Daniel Salas as well as a ~~Peru~~ Peruvian named Julio Truccido.

Carmen Demetria Lazzaraga of Chilean Nationality was also arrested. implicated a number of the defendants named above.



Pablo Wunderlich Volckhardt, a German chemist by profession was arrested. Admitted his guilt in the case and elaborated in his feelings with Ramez Harbe and Simon Lanel Korea towards the conversation of the sulphate cocaine into chloride of cocaine

Volckhardt accounted for his participation with Ramez and Lanel in the crystalization of some 7 or 8 kilos of cocaine, claiming that the finished product was delivered to Lanel for distribution to American sea ~~through~~ *through Alfredo* Santander. Volckhardt spoke of the poor quality of the cocaine sulphate brought from Bolivia, <sup>by Ramez</sup> but stated that the quality ~~impro~~ improved with every additional load brought by Ramez. Volckhardt further stated that he attributed the poor quality of the sulphate to the rudimentary procedure used in Bolivia.

Simon Lanel Korea, of Chilean nationality, lawyer by profession, was arrested. He readily admitted to his participation in the case. Implic ~~Alfredo~~ *Alfredo* Santander Garci ~~an~~ an officer on board a ship of ~~XXXX~~ the South American Line ~~plying~~ *plying* between ~~XXXX~~ Chile and Cuba. ~~EEEE~~ He further stated that he, Simon Lanel Korea, had been supplying Santander with cocaine ever since 1949.

Lanel further stated that he recommended Pablo Wunderlich Volckhardt to Ramez after a long discussion of establishing a laboratory *in Chile*

He further stated that the cocaine was shipped by Santander from Chile to Havana, via a crew member of the Chilean SS Aconcagua, named Toribia <sup>Lanel claimed him</sup> ~~That~~ *Lanel claimed him* <sup>RAMEZ</sup> ~~That~~ Santander paid 3,000 U. S. dollars per kilo. Lanel estimated doing business with ~~Ramez~~ Harb to the extent of \$450,000, (presumably Chilean pesos.)

Lanel extenuated to the Chilean authorities his participation in the cocaine business by assuring the police that it was not for local consumption but for export.

Alfredo Santander Garcia was apprehended. He made a very elaborate extenuation as to his participation ~~the~~ in the case. He admitted to conversations with the principals in the case and to three shipments of cocaine direct from Chile to one Manuel Arias, San <sup>LAZARO</sup> ~~Juan~~, 2001, Havana, Cuba, a trafficker in drugs.

In connection with this case, there was also arrested Oscar Riveros Medina, Chilean, occupation, chauffeur. Emilio Jacobs Arenas, Chilean, Civil Service Employee. Toribio Zuniga Perez, crew member of the ~~REXING~~ <sup>ACONCAGUA</sup> ~~ACONCAGUA~~. This man gave details of his transactions with Linel, further implicating another member of the SS ~~Acivegos~~ <sup>ACONCAGUA</sup>. He also stated that he delivered ~~two~~ to two unknown persons in Havana, Cuba. One in the uniform of Police or Customs Agent <sup>a quantity of cocaine</sup> and received \$800.00 from them for his services.

Zuniga denied knowing Santander, but implicated Luis Guerra. (Olivera's Note: Known to this office <sup>as</sup> as Lucho Guerra <sup>as a</sup> ~~as a~~ Chilean ~~XXXX~~ narcotic smuggler).

Also arrested ~~XXX~~ were Anselmo Vergara and Elias Selman Nustan.

Nustan in his statement, implicated the chemist Pablo Wunderlich Volchardt, in that he ~~XXXXXXXX~~, Nustan, purchased from the chemist 100 grams of cocaine.

Nustan also implicated Mrs. Noemi Del Rosario Perez Silva. The Sil ~~XXX~~ woman was arrested and admitted to involuntary complicity.



Pictures and ~~fingerprints~~ of the persons mentioned in this report are in the files of this office and they coincide with the 8 pictures furnished by the C. I. A. marked "secret" and identified as attachment to SODB 409

The foregoing report will indicate that the Chilean police <sup>made</sup> ~~are~~ a special investigation, rounding up a complete syndicate of considerable importance starting with the man who originated the scheme to the chemist, financial local and international distributors, ~~leading~~ down to the smugglers and persons ~~are~~ consuming the cocaine.

~~Unfortunately~~

Unfortunately, the data available to us relative to this case, does not give the disposition of sentences. The foregoing <sup>substantiates</sup> ~~verifies~~ the report from my confidential sources of information in that Bolivia is ~~scheduled~~ to become important in the illicit manufacture of cocaine since the Peruvian roundup.

There is unexplored in our files the Michael J. Tramontana case, reputed engaged in the manufacture of illicit cocaine in Bolivia.

While I can ~~appreciate~~ appreciate the smuggling of chlorhydrate cocaine Bolivia to Chile and from there into foreign export channels, I fail to understand why the sulphate cocaine is prepared in Bolivia and then smuggled into Chile for crystallization, when ~~Ramirez Harb claimed to have had~~ ~~permitted~~ Government consent to procure to ~~procure~~ leaf. It will be remembered in numerous occasions, I have reported information received by me that sulphate cocaine was being smuggled from Bolivia to Chile by truck, rail and by air. <sup>Some</sup> The foregoing ~~data~~ data was made available to me by the Director General of the Chilean Police, who even though gratified by the results of the investigation conducted by his men, was rather alarmed in that this ~~perhaps~~ ~~perhaps~~ perhaps was not the only organization operating in his country.

It is my opinion that the information ~~in~~ report number SODB 40988 of August 21, 1951, was quite accurate even though it did not involve shipments of heroin.

~~XXXXXXXXXXXX~~

Respectfully submitted,

J. RAY OLIVERA  
Narcotic Agent